

April 15, 2020

**BY CERTIFIED MAIL**

Bell Gardens Hospitality, LLC  
Attn: Chandu Patel  
7330 Eastern Ave.  
Bell Gardens, California 90201

**\*\* NOTICE OF BREACH AND DEMAND FOR IMMEDIATE CURE \*\***

**Re: Unauthorized Operation of a Medical Shelter at Bell Gardens Quality Inn Location**

Dear Mr. Patel:

This office represents the City of Bell Gardens (the "City"). We are contacting you in connection with your unauthorized decision to sublease the hotel located at 7330 Eastern Avenue in Bell Gardens to be utilized as a medical shelter and quarantine housing for contagious and high-risk patients potentially infected with COVID-19.

This maintenance of a medical quarantine site on property, reserved solely for the operation of a hotel and restaurant, constitutes a breach of the ground lease entered into with the City. The City demands that the hotel immediately cease intake operations and cure the default by transferring tenants as soon as possible.

As you know, the Hotel Site Ground Lease entered in 1988 (the "Lease") provides that the Tenant and its successors may use this location "solely" for the operation of a "hotel and associated improvements and a restaurant and associated improvements (Lease, ¶ 4.1)." The unauthorized operation of a medical facility constitutes a breach of the Lease with the City (*id.*, ¶ 13.1(c)). Therefore, the City demands that you "promptly and diligently" cure this default by ceasing intake and acceptance of new patients immediately and by arranging to transfer existing patients to other available facilities as soon as possible (*id.*, ¶ 13.2). If you do not take immediate steps to cure this default, the City will be forced to seek remedies permitted by the Lease – including, but not limited to, "the immediate option to terminate this Lease and all rights of Tenant hereunder (*id.*, ¶ 13.5.1)."

To further protect its residents, the City has also prepared a declaratory relief action seeking an adjudication that your use breaches the Lease. We intend to file this action in the Superior Court of Los Angeles County by Tuesday, April 21, 2020, unless some agreement can be reached. Concurrently, we will be submitting an emergency *ex parte* application for a temporary restraining order and preliminary injunctive relief compelling you to cease the acceptance of new infected patients on your premises. The City further intends to amend this

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complaint to include claims for damages against you should the facts and circumstances merit.

Please contact me or the City Manager, Michael B. O'Kelly immediately to determine if this situation can be rectified without wasteful and time-consuming litigation. Michael B. O'Kelly can be reached at 562-806-7702 or [mokelly@bellgardens.org](mailto:mokelly@bellgardens.org).

Very truly yours,

A handwritten signature in blue ink, appearing to read "Rick Olivarez", with a stylized flourish at the end.

Rick R. Olivarez

City Attorney

cc: Alejandra Cortez, Mayor of the City of Bell Gardens